

**For immediate release – Thursday 6 February**

## **MORhomes funds 2,233 new homes across England and Wales**

A new financial borrowing vehicle created by housing associations for housing associations has funded 2,233 new homes across England and Wales in the last year according to its Social Impact Report released today (6 February 2020).

MORhomes, owned and created by housing associations, lent its first nine borrowers a total of £260m which is being used to fund new homes in 36 local authorities in England and Wales. The homes are for a range of tenures including 1,206 for social and affordable rent, 536 for shared ownership and 31 designed for people with support needs to be more independent.

MORhomes, which has 60 housing association shareholders, was the first Social Bond on offer in the UK, meaning that investors can be assured that the proceeds of the bonds will be used for projects that have positive social outcomes. MORhomes' first bond issue in February 2019 was on-lent to nine housing associations funding 66 distinct projects. The housing associations were:

- A2 Dominion
- Aster
- Melin Homes
- POBL
- MHS
- Localspace
- Haford
- South Yorkshire Housing Association
- EMH

Neil Hadden, former CEO of Genesis Housing Association who is now chair of MORhomes, said; "We are proud to take a step back to view the collective impact of MORhomes' borrowers and to see that our founding ambition is being realised.

"We believe private investment has an important role to play in improving housing supply and delivering strong social impact. For socially conscious investors, housing associations are an excellent bet when it comes to achieving a strong return on investment both financially and in terms of social impact. Not only are they providing desperately needed homes, they are creating communities, supporting jobs and opportunities, reducing isolation and improving health and wellbeing. This is just the start of the story for MORhomes and we are proud to showcase the impact our borrowers are having on lives and communities."

Amongst the projects funded is Melin Homes' recent developments in Torfaen. This has seen them work closely with the local authority and partners in health and social care to provide specialist housing for people with additional and continuing support needs. Whilst *MORhomes PLC, registered in England and Wales, registered no.10974098. Registered office Future Business Centre, Kings Hedges Rd, Cambridge CB4 2HY*

A2Dominion's Matilda House provides support, specialised services and shelter for 37 homeless people in Oxford enabling them to live more fulfilling lives.

Peter Crockett, Deputy Chief Executive at Melin Homes, said; "MORhomes has helped Melin deliver its busiest development programme to date. For the first time we are building in all five of the local authority areas we work in and investing a total of £34million in building over 300 new homes.

"The impact that we have as a housing association goes far beyond bricks and mortar and the services, we provide can really change lives, but we wouldn't be able to keep providing homes and services for those who need it most without MORhomes' financial support."

MORhomes has now lent £312.5m to 11 housing associations since its inception and was the market leading social housing bond aggregator in 2019. It offers flexible loans from £10m, simple documentation and prides itself on the speed and efficiency of access to the market that it can offer housing associations. It has ambitious plans to raise more funds and increase its loan book in 2020. Any not for profit registered housing provider in England, Wales or Northern Ireland is eligible to become a member of MORhomes.

All MORhomes bonds are 'Social Bonds' issued under a Framework which is in accordance with the International Capital Markets Association (ICMA) Social Bond Principles 2018. MORhomes has received a second party opinion from Sustainalytics which is 'of the opinion that the MORhomes Social Bond Framework is credible and impactful and aligns with the four core components of the Social Bond Principles 2018'. Further details can be found on our website:

<https://morhomes.co.uk/socially-responsible-investment/>

## Ends

### Notes to editors

MORhomes was established in response to the concerns about the capacity of the sterling bond market to fund the needs of housing associations.

MORhomes is an initiative created by the Housing Association sector, for the Housing Association sector. MORhomes is a new funding agency to allow associations regular access to the capital markets.

MORhomes provides its Borrowers;

- Flexibility to borrow in amounts from £10m upwards - saving the cost of having to borrow larger amounts which might be more than is needed at any one time
- Quick access to the market, reducing uncertainty over the price of funds

# MORhomes PLC



- Flexibility on types of security offered and efficient use of security. Borrowers have up to 12 months after drawdown to complete security charging.
- Simple documentation and reduced costs and resources in going to the market
- Limited business covenants and restrictions
- Transparent predictable credit process and annual credit limit.

Over time, it aims to expand the investor base beyond the UK and is specifically targeting socially responsible investors. MORhomes is a plc 100% controlled by housing associations. It follows the UK Code of Corporate Governance and aspires to the highest levels of corporate governance and transparency. MORhomes is capitalized by equity and subordinated debt provided by its borrowers, and third party junior debt.

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